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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 26, 1988

Mr. Peter McCallum
Manager, Environmental Quality
Kennecott, Utah Copper
P.O. Box 525
Bingham Canyon, Utah 84006-0525

Dear Mr. McCallum:

Re: Approval of Pine Canyon Reclamation Plan, Kennecott, Utah Copper, Anaconda Carr Fork Project, M/045/004, Tooele County, Utah

Thank you for your September 9, 1988 letter responding to our August 16th conditional approval of Kennecott's reclamation proposal for the Pine Canyon property. The Division concurs with your request to separate those portions of our conditional approval document which may not directly affect the reclamation construction work proposed for this fall.

Kennecott is hereby approved to proceed with the Pine Canyon reclamation proposal in accordance with the following conditions.

CONDITIONS TO FINAL APPROVAL OF RECLAMATION PROPOSAL:

1. Response to Section 4.8.3, Potential mine water discharge, Section 4.9.2, Shaft/portal closure

The Division requests that the operator provide summarized copies, at least once every six months, of all the water level measurements recorded from the production shaft and the exhaust shaft. The Division also requests copies of the water quality analyses for water samples which are taken from these shafts.

2. Response to Appendix A, 1977 NOI Application, Pine Canyon Tunnel discharge

The operator has committed to provide the Division with the summarized results of historic water quality and flow data for the mine water discharges from the Pine Canyon Tunnel. This information should be included as part of the final reclamation plan which will be prepared following the completion of this reclamation project.

3. Response to Section 4.7.3, Channel protection measures

The proposed energy dissipator design drawings are acceptable provided the proper riprap size gradation is used in the actual construction. This will help minimize undercutting and interstitial scour of the stream channel.

4. Response to Sections 1.4, 4.4.3 and 4.4.4, Mine facilities to remain, Section 4.7.2, Reclamation channel alignment design

Kennecott has requested that the questions referenced under these sections of the current reclamation proposal be deferred until a final reclamation plan is prepared. The Division accepts the operator's request. Please be advised that the unanswered questions must be addressed as part of the final reclamation proposal.

5. Response to General Comments

The operator has committed to provide the information requested under general comments #1-3 of our August 16th letter. However, a timeframe for submission of the requested information was not included. As a condition to final approval of this reclamation proposal, the Division establishes a deadline of November 1, 1988 for submission of this information.

Unless otherwise indicated in this letter, this deadline will apply to all other sections of the reclamation plan which the operator has agreed to revise, or provide additional information. The only exception to this deadline is the submission of the final reclamation plan for the facilities to remain in Pine Canyon (see item #8 below).

General Comment #2, paragraph 2 - Rather than amend the Bingham Canyon reclamation plan, Kennecott prefers to prepare a separate reclamation plan for those facilities to remain in Pine Canyon. Therefore, a reclamation surety must be provided for the mining facilities and associated disturbed areas which will temporarily remain in Pine Canyon. The Division requests that a surety estimate be prepared by Kennecott and provided as part of the final reclamation plan.

6. Response to Section 4.2.2, Ore and Waste stockpile

The Division concurs with Kennecott's response to this section, but will require the following:

- (a) The operator must provide the Division with a copy of the analysis of the remaining material. A description of how the sample(s) was(were) collected must also be provided. The analysis must indicate the acid-base potential of the material.

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- (b) If the remaining stockpiled ore/waste material proves to have acid-producing potential, the operator will be required to cover it with at least two feet of substitute soil material. This commitment must be included in the form of updated & revised text for insertion into the current reclamation plan.

7. Completion of reclamation project activities

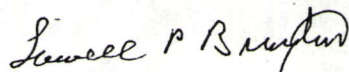
The Division requests that the operator notify this office upon completion of the proposed reclamation work so that an onsite inspection can be performed.

8. Final Reclamation Plan, Timeframe for submission

The Division establishes a 120 day deadline for submission of a final reclamation plan for the remaining Pine Canyon mining facilities, following completion of this reclamation project, or April 1, 1989, whichever comes first.

The Division appreciates Kennecott's cooperation in completing this permitting activity. Please feel free to contact us at any time should you have additional permitting questions or concerns.

Sincerely,



Lowell P. Braxton, Administrator
Mineral Resource Development
and Reclamation Program

DWH/jb
cc: Brian Buck, JBR Consultants
Don Osler, BWPC
Wayne Hedberg
Scott Johnson
Holland Shepherd
3/25-27